

State of Arizona
House of Representatives
Forty-seventh Legislature
First Regular Session
2005

CHAPTER 132

HOUSE BILL 2255

AN ACT

AMENDING SECTIONS 10-3705, 10-11602, 10-11605, 33-1243, 33-1245, 33-1248, 33-1249, 33-1250, 33-1255, 33-1256, 33-1258, 33-1260, 33-1261, 33-1801, 33-1802 AND 33-1807, ARIZONA REVISED STATUTES; AMENDING TITLE 33, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 20; RELATING TO THE TIMESHARE OWNERS' ASSOCIATION AND MANAGEMENT ACT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 10-3705, Arizona Revised Statutes, is amended to
3 read:

4 10-3705. Notice of meeting

5 A. EXCEPT AS PROVIDED IN SECTION 33-2208, a corporation shall notify
6 members of the date, time and place of each annual, regular and special
7 members' meeting at least ten days but not more than sixty days before the
8 meeting date. Unless chapters 24 through 40 of this title or the articles of
9 incorporation or bylaws require otherwise, the corporation shall give notice
10 only to members entitled to vote at the meeting.

11 B. Unless chapters 24 through 40 of this title or the articles of
12 incorporation or bylaws require otherwise, the notice of an annual or regular
13 meeting does not require a description of the purpose or purposes for which
14 the meeting is called.

15 C. Notice of a special meeting shall include a description of the
16 purpose or purposes for which the meeting is called.

17 D. If not otherwise fixed under section 10-3703 or 10-3707, the record
18 date for determining members entitled to notice of and to vote at an annual,
19 regular or special members' meeting is the day before the effective date of
20 the first notice to the members.

21 E. Unless the bylaws require otherwise, if an annual, regular or
22 special members' meeting is adjourned to a different date, time or place, a
23 notice of the new date, time or place is not required if the new date, time
24 or place is announced at the meeting before adjournment. If a new record
25 date for the adjourned meeting is or must be fixed under section 10-3707, the
26 corporation shall give notice of the adjourned meeting pursuant to this
27 section to persons who are members as of the new record date.

28 Sec. 2. Section 10-11602, Arizona Revised Statutes, is amended to
29 read:

30 10-11602. Inspection of records by members; applicability

31 A. Subject to subsections E and F of this section, any member who has
32 been a member of record at least six months immediately preceding its demand
33 is entitled to inspect and copy any of the records of the corporation
34 described in section 10-11601, subsection E during regular business hours at
35 the corporation's principal office, if the member gives the corporation
36 written notice of its demand as provided in section 10-3141 at least five
37 business days before the date on which the member wishes to inspect and copy.

38 B. Subject to subsections E and F of this section, a member who has
39 been a member of record at least six months immediately preceding its demand
40 is entitled to inspect and copy any of the following records of the
41 corporation during regular business hours at a reasonable location specified
42 by the corporation, if the member meets the requirements of subsection C of
43 this section and gives the corporation written notice of its demand as
44 provided in section 10-3141 at least five business days before the date on
45 which the member wishes to inspect and copy the following:

1 1. Excerpts from any records required to be maintained under section
2 10-11601, subsection A, to the extent not subject to inspection under
3 subsection A of this section.

4 2. Accounting records of the corporation.

5 3. Subject to section 10-11605, the membership list described in
6 section 10-11601, subsection C.

7 4. The corporation's most recent financial statements showing in
8 reasonable detail its assets and liabilities and the results of its
9 operations.

10 C. A member may inspect and copy the records identified in subsection
11 B of this section only if the following conditions are met:

12 1. The member's demand is made in good faith and for a proper purpose.

13 2. The member describes with reasonable particularity the member's
14 purpose and the records the member desires to inspect.

15 3. The records are directly connected with the member's purpose.

16 D. This section does not affect either:

17 1. The right of a member to inspect records under section 10-3720 or,
18 if the member is in litigation with the corporation, to the same extent as
19 any other litigant.

20 2. The power of a court, independently of chapters 24 through 40 of
21 this title, to compel the production of corporate records for examination on
22 proof by a member of proper purpose.

23 E. The articles of incorporation or bylaws of a corporation organized
24 primarily for religious purposes may limit or abolish the right of a member
25 under this section to inspect and copy any corporate record.

26 F. Unless the board of directors has provided express permission to
27 the member, a member of a corporation that is a rural electric cooperative is
28 not entitled to inspect or copy any records, documents or other materials
29 that are maintained by or in the possession of the corporation and that
30 relate to any of the following:

31 1. Personnel matters or a person's medical records.

32 2. Communications between an attorney for the corporation and the
33 corporation.

34 3. Pending or contemplated litigation.

35 4. Pending or contemplated matters relating to enforcement of the
36 corporation's documents or rules.

37 G. Sections 33-1258 and 33-1805, relating to association financial and
38 other records, apply to any corporation that is a condominium as defined in
39 section 33-1202 or a planned community as defined in section 33-1802.

40 H. THIS SECTION DOES NOT APPLY TO TIMESHARE PLANS OR ASSOCIATIONS THAT
41 ARE SUBJECT TO TITLE 33, CHAPTER 20.

1 Sec. 3. Section 10-11605, Arizona Revised Statutes, is amended to
2 read:

3 10-11605. Limitations on use of membership list; applicability

4 A. Without the consent of the board of directors, no person may obtain
5 or use a membership list or any part of the membership list for any purpose
6 unrelated to a member's interest as a member.

7 B. Without the consent of the board of directors, the membership list
8 or any part of the membership list shall not be:

9 1. Used to solicit money or property, unless the money or property
10 will be used solely to solicit the votes of the members in an election to be
11 held by the corporation.

12 2. Used for any commercial purpose.

13 3. Sold to or purchased by any person.

14 C. THIS SECTION DOES NOT APPLY TO TIMESHARE PLANS OR ASSOCIATIONS THAT
15 ARE SUBJECT TO TITLE 33, CHAPTER 20.

16 Sec. 4. Section 33-1243, Arizona Revised Statutes, is amended to read:

17 33-1243. Board of directors and officers; conflict; powers;
18 limitations; removal; annual audit; applicability

19 A. Except as provided in the declaration, the bylaws, subsection B or
20 other provisions of this chapter, the board of directors may act in all
21 instances on behalf of the association.

22 B. The board of directors shall not act on behalf of the association
23 to amend the declaration, terminate the condominium, elect members of the
24 board of directors or determine the qualifications, powers and duties or
25 terms of office of board of directors members. The board of directors may
26 fill vacancies in its membership for the unexpired portion of any term.

27 C. If any contract, decision or other action for compensation taken by
28 or on behalf of the board of directors would benefit any member of the board
29 of directors or any person who is a parent, grandparent, spouse, child or
30 sibling of a member of the board of directors or a parent or spouse of any of
31 those persons, that member of the board of directors shall declare a conflict
32 of interest for that issue. The member shall declare the conflict in an open
33 meeting of the board before the board discusses or takes action on that issue
34 and that member may then vote on that issue. Any contract entered into in
35 violation of this subsection is void and unenforceable.

36 D. Except as provided in the declaration, within thirty days after
37 adoption of any proposed budget for the condominium, the board of directors
38 shall provide a summary of the budget to all the unit owners. Unless the
39 board of directors is expressly authorized in the declaration to adopt and
40 amend budgets from time to time, any budget or amendment shall be ratified by
41 the unit owners in accordance with the procedures set forth in this
42 subsection. If ratification is required, the board of directors shall set a
43 date for a meeting of the unit owners to consider ratification of the budget
44 not fewer than fourteen nor more than thirty days after mailing of the
45 summary. Unless at that meeting a majority of all the unit owners or any

1 larger vote specified in the declaration rejects the budget, the budget is
2 ratified, whether or not a quorum is present. If the proposed budget is
3 rejected, the periodic budget last ratified by the unit owners shall be
4 continued until such time as the unit owners ratify a subsequent budget
5 proposed by the board of directors.

6 E. The declaration may provide for a period of declarant control of
7 the association, during which period a declarant or persons designated by the
8 declarant may appoint and remove the officers and members of the board of
9 directors. Regardless of the period provided in the declaration, a period of
10 declarant control terminates no later than the earlier of:

11 1. Ninety days after conveyance of seventy-five per cent of the units
12 which may be created to unit owners other than a declarant.

13 2. Four years after all declarants have ceased to offer units for sale
14 in the ordinary course of business.

15 F. A declarant may voluntarily surrender the right to appoint and
16 remove officers and members of the board of directors before
17 termination of the period prescribed in subsection E, but in that event the
18 declarant may require, for the duration of the period of declarant control,
19 that specified actions of the association or board of directors, as described
20 in a recorded instrument executed by the declarant, be approved by the
21 declarant before they become effective.

22 G. Not later than the termination of any period of declarant control
23 the unit owners shall elect a board of directors of at least three members,
24 at least a majority of whom must be unit owners. The board of directors
25 shall elect the officers. The board members and officers shall take office
26 upon election.

27 H. Notwithstanding any provision of the declaration or bylaws to the
28 contrary, the unit owners, by a two-thirds vote of all persons present and
29 entitled to vote at any meeting of the unit owners at which a quorum is
30 present, may remove any member of the board of directors with or without
31 cause, other than a member appointed by the declarant.

32 I. Unless any provision in the condominium documents requires an
33 annual audit by a certified public accountant, the board of directors shall
34 provide for an annual financial audit, review or compilation of the
35 association. The audit, review or compilation shall be completed no later
36 than one hundred eighty days after the end of the association's fiscal year
37 and shall be made available upon request to the unit owners within thirty
38 days after its completion.

39 J. THIS SECTION DOES NOT APPLY TO TIMESHARE PLANS OR ASSOCIATIONS, OR
40 THE PERIOD OF DECLARANT CONTROL UNDER TIMESHARE INSTRUMENTS, THAT ARE SUBJECT
41 TO CHAPTER 20 OF THIS TITLE.

1 Sec. 5. Section 33-1245, Arizona Revised Statutes, is amended to read:
2 33-1245. Termination of contracts and leases of declarant;
3 applicability

4 A. A contract for any of the following, if entered into before the
5 board of directors elected by the unit owners pursuant to section 33-1243,
6 subsection G takes office, shall contain a provision in the contract that the
7 contract may be terminated without penalty by the association at any time
8 after the board of directors elected by the unit owners takes office:

9 1. Any management contract or employment contract.

10 2. Any other contract or lease between the association and a declarant
11 or an affiliate of a declarant.

12 3. Any contract or lease that is not bona fide or was unconscionable
13 to the unit owners at the time entered into under the circumstances then
14 prevailing.

15 B. The board of directors shall notify the appropriate contractual
16 party of the termination at least thirty days before termination.

17 C. This section does not apply to any lease if the termination of the
18 lease would terminate the condominium or reduce its size.

19 D. If a contract covered by this section fails to contain the
20 provisions required by subsection A of this section, the contract ~~shall be~~ IS
21 voidable at the option of the association.

22 E. THIS SECTION DOES NOT APPLY TO TIMESHARE PLANS OR ASSOCIATIONS THAT
23 ARE SUBJECT TO CHAPTER 20 OF THIS TITLE.

24 Sec. 6. Section 33-1248, Arizona Revised Statutes, is amended to read:
25 33-1248. Open meetings; exceptions

26 A. Notwithstanding any provision in the declaration, bylaws or other
27 documents to the contrary, all meetings of the association and board of
28 directors, ~~except for an association or board of directors for a timeshare~~
29 ~~plan as defined in section 32-2197,~~ are open to all members of the
30 association or any person designated by a member in writing as the member's
31 representative and all members or designated representatives so desiring
32 shall be permitted to attend and speak at an appropriate time during the
33 deliberations and proceedings. The board may place reasonable time
34 restrictions on those persons speaking during the meeting but shall permit a
35 member or a member's designated representative to speak before the board
36 takes formal action on an item under discussion in addition to any other
37 opportunities to speak. The board shall provide for a reasonable number of
38 persons to speak on each side of an issue. Any portion of a meeting may be
39 closed only if that portion of the meeting is limited to consideration of one
40 or more of the following:

41 1. Legal advice from an attorney for the board or the association. On
42 final resolution of any matter for which the board received legal advice or
43 that concerned pending or contemplated litigation, the board may disclose
44 information about that matter in an open meeting except for matters that are

1 required to remain confidential by the terms of a settlement agreement or
2 judgment.

3 2. Pending or contemplated litigation.

4 3. Personal, health and financial information about an individual
5 member of the association, an individual employee of the association or an
6 individual employee of a contractor for the association.

7 4. Matters relating to the job performance of, compensation of, health
8 records of or specific complaints against an individual employee of the
9 association or an individual employee of a contractor of the association who
10 works under the direction of the association.

11 B. Notwithstanding any provision in the condominium documents and
12 ~~except for associations for a timeshare plan as defined in section 32-2197,~~
13 all meetings of the association and the board shall be held in this state. A
14 meeting of the association shall be held at least once each year. Special
15 meetings of the association may be called by the president, by a majority of
16 the board of directors or by unit owners having at least twenty-five per
17 cent, or any lower percentage specified in the bylaws, of the votes in the
18 association. Unless otherwise provided in the articles or the bylaws of the
19 association, not fewer than ten nor more than fifty days in advance of any
20 meeting of the unit owners, the secretary shall cause notice to be
21 ~~hand-delivered~~ HAND DELIVERED or sent prepaid by United States mail to the
22 mailing address of each unit or to any other mailing address designated in
23 writing by the unit owner. The notice of any meeting of the unit owners
24 shall state the time and place of the meeting. The notice of any special
25 meeting of the unit owners shall also state the purpose for which the meeting
26 is called, including the general nature of any proposed amendment to the
27 declaration or bylaws, any changes in assessments that require approval of
28 the unit owners and any proposal to remove a director or officer. The
29 failure of any unit owner to receive actual notice of a meeting of the unit
30 owners does not affect the validity of any action taken at that meeting.

31 C. Unless otherwise provided in the articles or bylaws of the
32 association, for meetings of the board of directors that are held after the
33 termination of declarant control of the association, notice to unit owners of
34 meetings of the board of directors shall be given at least forty-eight hours
35 in advance of the meeting by newsletter, conspicuous posting or any other
36 reasonable means as determined by the board of directors. An affidavit of
37 notice by an officer of the association is prima facie evidence that notice
38 was given as prescribed by this section. Notice to unit owners of meetings
39 of the board of directors is not required if emergency circumstances require
40 action by the board before notice can be given. Any notice of a board
41 meeting shall state the time and place of the meeting. The failure of any
42 unit owner to receive actual notice of a meeting of the board of directors
43 does not affect the validity of any action taken at that meeting.

44 D. THIS SECTION DOES NOT APPLY TO TIMESHARE PLANS OR ASSOCIATIONS THAT
45 ARE SUBJECT TO CHAPTER 20 OF THIS TITLE.

1 Sec. 7. Section 33-1249, Arizona Revised Statutes, is amended to read:

2 33-1249. Quorums; applicability

3 A. Unless the bylaws provide otherwise, a quorum is present throughout
4 any meeting of the association if persons entitled to cast at least
5 twenty-five per cent of the votes in the association are present in person or
6 by proxy at the beginning of the meeting.

7 B. Unless the bylaws specify a larger percentage, a quorum is deemed
8 present throughout any meeting of the board of directors if persons entitled
9 to cast at least fifty per cent of the votes on that board are present at the
10 beginning of the meeting.

11 C. THIS SECTION DOES NOT APPLY TO TIMESHARE PLANS OR ASSOCIATIONS THAT
12 ARE SUBJECT TO CHAPTER 20 OF THIS TITLE.

13 Sec. 8. Section 33-1250, Arizona Revised Statutes, is amended to read:

14 33-1250. Voting; proxies; applicability

15 A. If only one of the multiple owners of a unit is present at a
16 meeting of the association, he THE OWNER is entitled to cast all the votes
17 allocated to that unit. If more than one of the multiple owners are present,
18 the votes allocated to that unit may be cast only in accordance with the
19 agreement of a majority in interest of the multiple owners unless the
20 declaration expressly provides otherwise. There is majority agreement if any
21 one of the multiple owners casts the votes allocated to that unit without
22 protest being made promptly to the person presiding over the meeting by any
23 of the other owners of the unit.

24 B. Votes allocated to a unit may be cast pursuant to a proxy duly
25 executed by a unit owner. If a unit is owned by more than one person, each
26 owner of the unit may vote or register protest to the casting of votes by the
27 other owners of the unit through a duly executed proxy. A unit owner may not
28 revoke a proxy given pursuant to this section except by actual notice of
29 revocation to the person presiding over a meeting of the association. A
30 proxy is void if it is not dated or purports to be revocable without
31 notice. The proxy is revoked on presentation of a later dated proxy executed
32 by the same unit owner. A proxy terminates one year after its date, unless
33 it specifies a shorter term or unless it states that it is coupled with an
34 interest and is irrevocable.

35 C. If the declaration requires that votes on specified matters
36 affecting the condominium be cast by lessees rather than unit owners of
37 leased units all of the following apply:

38 1. The provisions of subsections A and B of this section apply to
39 lessees as if they were unit owners.

40 2. Unit owners who have leased their units to other persons shall not
41 cast votes on those specified matters.

42 3. Lessees are entitled to notice of meetings, access to records and
43 other rights respecting those matters as if they were unit owners. Unit
44 owners shall also be given notice, in the manner prescribed in section
45 33-1248, of all meetings at which lessees may be entitled to vote.

1 D. Unless the declaration provides otherwise, votes allocated to a
2 unit owned by the association shall not be cast.

3 E. THIS SECTION DOES NOT APPLY TO TIMESHARE PLANS OR ASSOCIATIONS THAT
4 ARE SUBJECT TO CHAPTER 20 OF THIS TITLE.

5 Sec. 9. Section 33-1255, Arizona Revised Statutes, is amended to read:
6 33-1255. Assessments for common expenses; applicability

7 A. Until the association makes a common expense assessment, the
8 declarant shall pay all common expenses. After any assessment has been made
9 by the association, assessments shall be made at least annually, based on a
10 budget adopted at least annually by the association.

11 B. Except for assessments under subsections C, D, E and F of this
12 section, all common expenses shall be assessed against all the units in
13 accordance with the allocations set forth in the declaration pursuant to
14 section 33-1217, subsection A. Any past due common expense assessment or
15 installment bears interest at the rate established by the board subject to
16 the condominium documents.

17 C. Unless otherwise provided for in the declaration all of the
18 following apply:

19 1. Any common expense associated with the maintenance, repair or
20 replacement of a limited common element shall be equally assessed against the
21 units to which the limited common element is assigned.

22 2. Any common expense or portion of a common expense benefitting fewer
23 than all of the units shall be assessed exclusively against the units
24 benefitted.

25 D. Assessments to pay a judgment against the association may be made
26 only against the units in the condominium at the time the judgment was
27 entered, in proportion to their common expense liabilities.

28 E. If any common expense is caused by the misconduct of any unit
29 owner, the association may assess that expense exclusively against ~~his~~ THAT
30 unit.

31 F. If the declaration so provides, the common expense assessment for
32 any unit on which construction has not been substantially completed may be an
33 amount which is not less than twenty-five per cent of the common expense
34 assessment for units which have been substantially completed. However, this
35 reduced common expense assessment shall not be permitted, unless the
36 declarant is obligated under the declaration to pay to the association any
37 deficiency in monies due to the declarant having paid a reduced common
38 assessment and necessary for the association to be able to timely pay all
39 common expenses.

40 G. If common expense liabilities are reallocated, common expense
41 assessments and any installment on the assessments not yet due shall be
42 recalculated in accordance with the reallocated common expense liabilities.

43 H. THIS SECTION DOES NOT APPLY TO TIMESHARE PLANS OR ASSOCIATIONS THAT
44 ARE SUBJECT TO CHAPTER 20 OF THIS TITLE.

1 Sec. 10. Section 33-1256, Arizona Revised Statutes, is amended to
2 read:

3 33-1256. Lien for assessments; priority; mechanics' and
4 materialmen's liens; applicability

5 A. The association has a lien on a unit for any assessment levied
6 against that unit from the time the assessment becomes due. The
7 association's lien for assessments, for charges for late payment of those
8 assessments and for reasonable attorney fees and costs incurred with respect
9 to those assessments may be foreclosed in the same manner as a mortgage on
10 real estate. Fees, charges, late charges, monetary penalties and interest
11 charged pursuant to section 33-1242, paragraphs 10, 11 and 12, other than
12 charges for late payment of assessments, are not enforceable as assessments
13 under this section. If an assessment is payable in installments, the full
14 amount of the assessment is a lien from the time the first installment of the
15 assessment becomes due. The association has a lien for fees, charges, late
16 charges, other than charges for late payment of assessments, monetary
17 penalties or interest charged pursuant to section 33-1242, paragraphs 10, 11
18 and 12 after the entry of a judgment in a civil suit for those fees, charges,
19 late charges, monetary penalties or interest from a court of competent
20 jurisdiction and the recording of that judgment in the office of the county
21 recorder as otherwise provided by law. The association's lien for monies
22 other than for assessments, for charges for late payment of those assessments
23 and for reasonable attorney fees and costs incurred with respect to those
24 assessments may not be foreclosed and is effective only on conveyance of any
25 interest in the real property. ~~Nothing in this subsection or subsection E of~~
26 ~~this section shall be interpreted to restrict an association for a timeshare~~
27 ~~plan as defined by section 32-2197 from acquiring or foreclosing on a lien,~~
28 ~~whether the lien is for assessments, fees, charges, late charges, monetary~~
29 ~~penalties or interest charged pursuant to section 33-1242, paragraphs 10, 11~~
30 ~~and 12 and any lien shall be a first lien as provided in subsection B of this~~
31 ~~section. An association for a timeshare plan may foreclose on a lien at any~~
32 ~~time after the lien is acquired.~~

33 B. A lien for assessments, for charges for late payment of those
34 assessments and for reasonable attorney fees and costs incurred with respect
35 to those assessments under this section is prior to all other liens,
36 interests and encumbrances on a unit except:

37 1. Liens and encumbrances recorded before the recordation of the
38 declaration.

39 2. A recorded first mortgage on the unit, a seller's interest in a
40 first contract for sale pursuant to chapter 6, article 3 of this title on the
41 unit recorded prior to the lien arising pursuant to subsection A of this
42 section or a recorded first deed of trust on the unit.

43 3. Liens for real estate taxes and other governmental assessments or
44 charges against the unit.

1 C. Subsection B of this section does not affect the priority of
2 mechanics' or materialmen's liens or the priority of liens for other
3 assessments made by the association. The lien under this section is not
4 subject to the provisions of chapter 8 of this title.

5 D. Unless the declaration otherwise provides, if two or more
6 associations have liens for assessments created at any time on the same real
7 estate, those liens have equal priority.

8 E. Recording of the declaration constitutes record notice and
9 perfection of the lien for assessments, for charges for late payment of those
10 assessments and for reasonable attorney fees and costs incurred with respect
11 to those assessments. Further recordation of any claim of lien for
12 assessments under this section is not required.

13 F. A lien for unpaid assessments is extinguished unless proceedings to
14 enforce the lien are instituted within three years after the full amount of
15 the assessments becomes due.

16 G. This section does not prohibit actions to recover sums for which
17 subsection A of this section creates a lien or does not prohibit an
18 association from taking a deed in lieu of foreclosure.

19 H. A judgment or decree in any action brought under this section shall
20 include costs and reasonable attorney fees for the prevailing party.

21 I. The association on written request shall furnish to a lienholder,
22 escrow agent, unit owner or person designated by a unit owner a statement
23 setting forth the amount of unpaid assessments against the unit. The
24 statement shall be furnished within fifteen days after receipt of the request
25 and the statement is binding on the association, the board of directors and
26 every unit owner if the statement is requested by an escrow agency that is
27 licensed pursuant to title 6, chapter 7. Failure to provide the statement to
28 the escrow agent within the time provided for in this subsection shall
29 extinguish any lien for any unpaid assessment then due.

30 J. The association shall record in the office of the county recorder
31 in the county in which the condominium is located a notice stating the name
32 of the association or designated agent or management company for the
33 association, the address for the association and the telephone number of the
34 association or its designated agent or management company. The notice shall
35 include the name of the condominium community, the date of the recording and
36 the recorded instrument number or book and page for the main document that
37 constitutes the declaration. If an association's address, designated agent
38 or management company changes, the association shall amend its notice or
39 record a new notice within ninety days after the change.

40 K. THIS SECTION DOES NOT APPLY TO TIMESHARE PLANS OR ASSOCIATIONS THAT
41 ARE SUBJECT TO CHAPTER 20 OF THIS TITLE.

1 Sec. 11. Section 33-1258, Arizona Revised Statutes, is amended to
2 read:

3 33-1258. Association financial and other records; applicability

4 A. Except as provided in subsection B of this section, all financial
5 and other records of the association shall be made reasonably available for
6 examination by any member or any person designated by the member in writing
7 as the member's representative.

8 B. Books and records kept by or on behalf of the association and the
9 board may be withheld from disclosure to the extent that the portion withheld
10 relates to any of the following:

11 1. Privileged communication between an attorney for the association
12 and the association.

13 2. Pending or contemplated litigation.

14 3. Meeting minutes or other records of a session of a board meeting
15 that is not required to be open to all members pursuant to section 33-1248.

16 4. Personal, health and financial records of an individual member of
17 the association, an individual employee of the association or an individual
18 employee of a contractor for the association.

19 5. Records relating to the job performance of, compensation of, health
20 records of or specific complaints against an individual employee of the
21 association or an individual employee of a contractor of the association who
22 works under the direction of the association.

23 C. The association shall not be required to disclose financial and
24 other records of the association if disclosure would violate any state or
25 federal law.

26 D. This section does not apply to an association for a timeshare plan
27 ~~as defined in section 32-2197~~ THAT IS SUBJECT TO CHAPTER 20 OF THIS TITLE.

28 Sec. 12. Section 33-1260, Arizona Revised Statutes, is amended to
29 read:

30 33-1260. Resale of units; information required; applicability;
31 definition

32 A. Except for a sale in which a public report shall be issued pursuant
33 to section 32-2183 and section 32-2197.02, for an exempt sale pursuant to
34 section 32-2181.02 or for condominiums with fewer than fifty units, a unit
35 owner shall mail or deliver to a purchaser within ten days after receipt of a
36 written notice of a pending sale of the unit, and for condominiums with fifty
37 or more units, the association shall mail or deliver to a purchaser within
38 ten days after receipt of a written notice of a pending sale that contains
39 the name and address of the purchaser, all of the following:

40 1. A copy of the bylaws and the rules of the association.

41 2. A copy of the declaration.

42 3. A dated statement containing:

43 (a) The telephone number and address of a principal contact for the
44 association, which may be an association manager, an association management

1 company, an officer of the association or any other person designated by the
2 board of directors.

3 (b) The amount of the common expense assessment for the unit and any
4 unpaid common expense assessment, special assessment or other assessment, fee
5 or charge currently due and payable from the selling unit owner.

6 (c) A statement as to whether a portion of the unit is covered by
7 insurance maintained by the association.

8 (d) The total amount of money held by the association as reserves.

9 (e) If the statement is being furnished by the association, a
10 statement as to whether the records of the association reflect any
11 alterations or improvements to the unit that violate the declaration. The
12 association is not obligated to provide information regarding alterations or
13 improvements that occurred more than six years before the proposed
14 sale. Nothing in this subdivision relieves the seller of a unit from the
15 obligation to disclose alterations or improvements to the unit that violate
16 the declaration, nor precludes the association from taking action against the
17 purchaser of a unit for violations that are apparent at the time of purchase
18 and that are not reflected in the association's records.

19 (f) If the statement is being furnished by the unit owner, a statement
20 as to whether the unit owner has any knowledge of any alterations or
21 improvements to the unit that violate the declaration.

22 (g) A statement of case names and case numbers for pending litigation
23 with respect to the unit filed by the association against the unit owner or
24 filed by the unit owner against the association. The unit owner or the
25 association shall not be required to disclose information concerning the
26 pending litigation that would violate any applicable rule of attorney-client
27 privilege under Arizona law.

28 (h) A statement that provides "I hereby acknowledge that the
29 declaration, bylaws and rules of the association constitute a contract
30 between the association and me (the purchaser). By signing this statement, I
31 acknowledge that I have read and understand the association's contract with
32 me (the purchaser). I also understand that by accepting this contract, I may
33 be giving up my rights to the homestead exemption protection regarding a lien
34 of the association." The statement shall also include a signature line for
35 the purchaser and shall be returned to the association within fourteen
36 calendar days.

37 4. A copy of the current operating budget of the association.

38 5. A copy of the most recent annual financial report of the
39 association. If the report is more than ten pages, the association may
40 provide a summary of the report in lieu of the entire report.

41 6. A copy of the most recent reserve study of the association, if any.

42 B. A purchaser or seller who is damaged by the failure of the unit
43 owner or the association to disclose the information required by subsection A
44 of this section may pursue all remedies at law or in equity against the unit

1 owner or the association, whichever failed to comply with subsection A of
2 this section, including the recovery of reasonable attorney fees.

3 C. The association may charge the unit owner a reasonable fee to
4 compensate the association for the costs incurred in the preparation of a
5 statement furnished by the association pursuant to this section. The
6 association shall make available to any interested party the amount of any
7 fee established from time to time by the association.

8 D. THIS SECTION DOES NOT APPLY TO TIMESHARE PLANS OR ASSOCIATIONS THAT
9 ARE SUBJECT TO CHAPTER 20 OF THIS TITLE.

10 ~~D.~~ E. For THE purposes of this section, unless the context otherwise
11 requires, "unit owner" means the seller of the condominium unit title and
12 excludes any real estate salesperson or real estate broker who is licensed
13 under title 32, chapter 20 and who is acting as a salesperson or broker and
14 also excludes a trustee of a deed of trust who is selling the property in a
15 trustee's sale pursuant to chapter 6.1 of this title.

16 Sec. 13. Section 33-1261, Arizona Revised Statutes, is amended to
17 read:

18 33-1261. American flag display; applicability

19 A. Notwithstanding any provision in the condominium documents, an
20 association shall not prohibit the outdoor display of the American flag by a
21 unit owner on that unit owner's property if the American flag is displayed in
22 a manner consistent with the federal flag code (P.L. 94-344; 90 Stat. 810; 4
23 United States Code sections 4 through 10). The association shall adopt
24 reasonable rules and regulations regarding the placement and manner of
25 display of the American flag. The association rules may regulate the
26 location and size of flagpoles but shall not prohibit the installation of a
27 flagpole.

28 B. THIS SECTION DOES NOT APPLY TO TIMESHARE PLANS OR ASSOCIATIONS THAT
29 ARE SUBJECT TO CHAPTER 20 OF THIS TITLE.

30 Sec. 14. Section 33-1801, Arizona Revised Statutes, is amended to
31 read:

32 33-1801. Applicability; exemption

33 A. This chapter applies to all planned communities.

34 B. Notwithstanding any provisions in the community documents, this
35 chapter does not apply to any school that receives monies from this state,
36 including a charter school, and a school is exempt from regulation or any
37 enforcement action by any homeowners' association that is subject to this
38 chapter. With the exception of home schools as defined in section 15-802,
39 schools shall not be established within the living units of a homeowners'
40 association. The homeowners' association may enter into a contractual
41 agreement with a school district or charter school to allow use of the
42 homeowners' association's common areas by the school district or charter
43 school.

44 C. THIS CHAPTER DOES NOT APPLY TO TIMESHARE PLANS OR ASSOCIATIONS THAT
45 ARE SUBJECT TO CHAPTER 20 OF THIS TITLE.

1 Sec. 15. Section 33-1802, Arizona Revised Statutes, is amended to
2 read:

3 33-1802. Definitions

4 In this chapter and in the community documents, unless the context
5 otherwise requires:

6 1. "Association" means a nonprofit corporation or unincorporated
7 association of owners THAT IS created pursuant to a declaration to own and
8 operate portions of a planned community and ~~which~~ THAT has the power under
9 the declaration to assess association members to pay the costs and expenses
10 incurred in the performance of the association's obligations under the
11 declaration.

12 2. "Community documents" means the declaration, bylaws, articles of
13 incorporation, if any, and rules, if any.

14 3. "Declaration" means any instruments, however denominated, that
15 establish a planned community and any amendment to those instruments.

16 4. "Planned community" means a real estate development which includes
17 real estate owned and operated by a nonprofit corporation or unincorporated
18 association of owners, THAT IS created for the purpose of managing,
19 maintaining or improving the property, and in which the owners of separately
20 owned lots, parcels or units are mandatory members and are required to pay
21 assessments to the association for these purposes. PLANNED COMMUNITY DOES
22 NOT INCLUDE A TIMESHARE PLAN OR A TIMESHARE ASSOCIATION THAT IS GOVERNED BY
23 CHAPTER 20 OF THIS TITLE.

24 Sec. 16. Section 33-1807, Arizona Revised Statutes, is amended to
25 read:

26 33-1807. Lien for assessments; priority; mechanics' and
27 materialmen's liens

28 A. The association has a lien on a unit for any assessment levied
29 against that unit from the time the assessment becomes due. The
30 association's lien for assessments, for charges for late payment of those
31 assessments and for reasonable attorney fees and costs incurred with respect
32 to those assessments may be foreclosed in the same manner as a mortgage on
33 real estate. Fees, charges, late charges, monetary penalties and interest
34 charged pursuant to section 33-1803, other than charges for late payment of
35 assessments are not enforceable as assessments under this section. If an
36 assessment is payable in installments, the full amount of the assessment is a
37 lien from the time the first installment of the assessment becomes due. The
38 association has a lien for fees, charges, late charges, other than charges
39 for late payment of assessments, monetary penalties or interest charged
40 pursuant to section 33-1803 after the entry of a judgment in a civil suit for
41 those fees, charges, late charges, monetary penalties or interest from a
42 court of competent jurisdiction and the recording of that judgment in the
43 office of the county recorder as otherwise provided by law. The
44 association's lien for monies other than for assessments, for charges for
45 late payment of those assessments and for reasonable attorney fees and costs

1 incurred with respect to those assessments may not be foreclosed and is
2 effective only on conveyance of any interest in the real property. Nothing
3 ~~in this subsection or subsection E of this section shall be interpreted to~~
4 ~~restrict an association for a timeshare plan under section 32-2197 from~~
5 ~~acquiring or foreclosing on a lien, whether the lien is for assessments,~~
6 ~~fees, charges, late charges, monetary penalties or interest charged pursuant~~
7 ~~to section 33-1803 and any lien shall be a first lien as provided in~~
8 ~~subsection B of this section. An association for a timeshare plan under~~
9 ~~section 32-2197 may foreclose on a lien at any time after the lien is~~
10 ~~acquired.~~

11 B. A lien for assessments, for charges for late payment of those
12 assessments and for reasonable attorney fees and costs incurred with respect
13 to those assessments under this section is prior to all other liens,
14 interests and encumbrances on a unit except:

15 1. Liens and encumbrances recorded before the recordation of the
16 declaration.

17 2. A recorded first mortgage on the unit, a seller's interest in a
18 first contract for sale pursuant to chapter 6, article 3 of this title on the
19 unit recorded prior to the lien arising pursuant to subsection A of this
20 section or a recorded first deed of trust on the unit.

21 3. Liens for real estate taxes and other governmental assessments or
22 charges against the unit.

23 C. Subsection B of this section does not affect the priority of
24 mechanics' or materialmen's liens or the priority of liens for other
25 assessments made by the association. The lien under this section is not
26 subject to chapter 8 of this title.

27 D. Unless the declaration otherwise provides, if two or more
28 associations have liens for assessments created at any time on the same real
29 estate those liens have equal priority.

30 E. Recording of the declaration constitutes record notice and
31 perfection of the lien for assessments, for charges for late payment of
32 assessments and for reasonable attorney fees and costs incurred with respect
33 to those assessments. Further recordation of any claim of lien for
34 assessments under this section is not required.

35 F. A lien for an unpaid assessment is extinguished unless proceedings
36 to enforce the lien are instituted within three years after the full amount
37 of the assessment becomes due.

38 G. This section does not prohibit:

39 1. Actions to recover amounts for which subsection A of this section
40 creates a lien.

41 2. An association from taking a deed in lieu of foreclosure.

42 H. A judgment or decree in any action brought under this section shall
43 include costs and reasonable attorney fees for the prevailing party.

44 I. On written request, the association shall furnish to a lienholder,
45 escrow agent, unit owner or person designated by a unit owner a statement

1 setting forth the amount of any unpaid assessment against the unit. The
2 association shall furnish the statement within fifteen days after receipt of
3 the request, and the statement is binding on the association, the board of
4 directors and every unit owner if the statement is requested by an escrow
5 agency that is licensed pursuant to title 6, chapter 7. Failure to provide
6 the statement to the escrow agent within the time provided for in this
7 subsection shall extinguish any lien for any unpaid assessment then due.

8 J. The association shall record in the office of the county recorder
9 in the county in which the planned community is located a notice stating the
10 name of the association or designated agent or management company for the
11 association, the address for the association and the telephone number of the
12 association or its designated agent or management company. The notice shall
13 include the name of the planned community, the date of the recording and the
14 recorded instrument number or book and page for the main document that
15 constitutes the declaration. If an association's address, designated agent
16 or management company changes, the association shall amend its notice or
17 record a new notice within ninety days after the change.

18 Sec. 17. Title 33, Arizona Revised Statutes, is amended by adding
19 chapter 20, to read:

20 CHAPTER 20

21 TIMESHARE OWNERS' ASSOCIATION AND MANAGEMENT ACT

22 ARTICLE 1. GENERAL PROVISIONS

23 33-2201. Application

24 THIS CHAPTER APPLIES TO ALL TIMESHARE PLANS, TIMESHARE PROPERTY AND
25 ASSOCIATIONS IN THIS STATE THAT ARE ESTABLISHED ON OR AFTER THE EFFECTIVE
26 DATE OF THIS CHAPTER. THIS CHAPTER ALSO APPLIES, UNLESS THE TIMESHARE
27 INSTRUMENT PROVIDES OTHERWISE, TO TIMESHARE PLANS, TIMESHARE PROPERTY AND
28 ASSOCIATIONS IN THIS STATE THAT ARE ESTABLISHED AT ANY TIME BEFORE THE
29 EFFECTIVE DATE OF THIS CHAPTER. NOTWITHSTANDING THIS TITLE OR TITLE 32 THIS
30 CHAPTER GOVERNS IF THERE IS ANY CONFLICT BETWEEN THIS CHAPTER AND ANY OTHER
31 STATUTE RELATED TO THE OPERATION AND MANAGEMENT OF TIMESHARE PLANS, TIMESHARE
32 PROPERTY OR ASSOCIATIONS IN THIS STATE.

33 33-2202. Definitions

34 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

35 1. "ACCOMMODATION" MEANS ANY APARTMENT, CONDOMINIUM OR COOPERATIVE
36 UNIT, CABIN, LODGE, HOTEL OR MOTEL ROOM OR OTHER PRIVATE OR COMMERCIAL
37 STRUCTURE THAT CONTAINS TOILET FACILITIES, THAT IS DESIGNED AND AVAILABLE FOR
38 USE AND OCCUPANCY AS A RESIDENCE BY ONE OR MORE INDIVIDUALS AND THAT IS
39 INCLUDED IN THE OFFERING OF A TIMESHARE PLAN.

40 2. "ASSESSMENT" MEANS THE SHARE OF MONIES THAT ARE REQUIRED FOR THE
41 PAYMENT OF COMMON EXPENSES AND THAT THE MANAGING ENTITY ASSESSES PERIODICALLY
42 AGAINST EACH OWNER, AND ANY OTHER AMOUNT REQUIRED TO BE PAID BY OWNERS UNDER
43 A TIMESHARE INSTRUMENT.

44 3. "ASSOCIATION" MEANS ANY ORGANIZED BODY CONSISTING SOLELY OF THE
45 OWNERS OF TIMESHARE INTERESTS IN A TIMESHARE PLAN.

1 4. "BOARD" MEANS THE GOVERNING BODY DESIGNATED IN THE TIMESHARE
2 INSTRUMENT TO ACT ON BEHALF OF AN ASSOCIATION.

3 5. "COMMON EXPENSES" MEANS THE COSTS AND EXPENSES OF AND FOR OPERATING
4 THE TIMESHARE PLAN AND TIMESHARE PROPERTY AS SET FORTH IN THE TIMESHARE
5 INSTRUMENT.

6 6. "DEVELOPER" MEANS EITHER OF THE FOLLOWING:

7 (a) ANY PERSON, CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY,
8 TRUST OR OTHER ENTITY, OTHER THAN A SALES AGENT, THAT CREATES A TIMESHARE
9 PLAN.

10 (b) ANY PERSON OR ENTITY THAT SUCCEEDS TO THE INTEREST OF THE
11 DEVELOPER BY SALE, LEASE, ASSIGNMENT, MORTGAGE OR OTHER TRANSFER IF THE
12 PERSON OFFERS TIMESHARE INTERESTS IN A PARTICULAR TIMESHARE PLAN AND THE
13 PERSON IS IN THE BUSINESS OF SELLING TIMESHARE INTERESTS OR EMPLOYS SALES
14 AGENTS TO SELL TIMESHARE INTERESTS.

15 7. "MANAGING ENTITY" MEANS THE ASSOCIATION OR OTHER PERSON THAT
16 UNDERTAKES THE DUTIES, RESPONSIBILITIES AND OBLIGATIONS OF THE MANAGEMENT OF
17 A TIMESHARE PLAN.

18 8. "OWNER" MEANS THE OWNERS OF A TIMESHARE INTEREST IN A TIMESHARE
19 PLAN, OTHER THAN AS SECURITY FOR AN OBLIGATION. OWNER INCLUDES DEVELOPER TO
20 THE EXTENT THE DEVELOPER OWNS TIMESHARE INTERESTS.

21 9. "TIMESHARE ESTATE" MEANS THE RIGHT OF OCCUPANCY IN A TIMESHARE
22 PROPERTY THAT IS COUPLED WITH AN ESTATE IN REAL PROPERTY.

23 10. "TIMESHARE INSTRUMENT" MEANS ONE OR MORE DOCUMENTS CREATING OR
24 GOVERNING THE OPERATION OF A TIMESHARE PLAN.

25 11. "TIMESHARE INTEREST" MEANS EITHER A TIMESHARE ESTATE OR A TIMESHARE
26 USE.

27 12. "TIMESHARE PERIOD" MEANS THE PERIOD OF TIME WHEN THE OWNER OF A
28 TIMESHARE INTEREST IS AFFORDED THE OPPORTUNITY TO USE THE ACCOMMODATIONS OF A
29 TIMESHARE PLAN.

30 13. "TIMESHARE PLAN" MEANS ANY ARRANGEMENT, PLAN OR SIMILAR DEVICE,
31 OTHER THAN AN EXCHANGE PROGRAM, WHETHER BY MEMBERSHIP AGREEMENT, OR SALES,
32 LEASE, DEED, LICENSE OR RIGHT-TO-USE AGREEMENT OR BY ANY OTHER MEANS, IN
33 WHICH AN OWNER, IN EXCHANGE FOR CONSIDERATION, RECEIVES OWNERSHIP RIGHTS IN
34 OR THE RIGHT TO USE ACCOMMODATIONS FOR A PERIOD OF TIME THAT IS LESS THAN A
35 FULL YEAR DURING ANY GIVEN YEAR, BUT NOT NECESSARILY FOR CONSECUTIVE YEARS,
36 IF THE USE RIGHTS EXTEND FOR AT LEAST THREE YEARS.

37 14. "TIMESHARE PROPERTY" MEANS ONE OR MORE ACCOMMODATIONS THAT ARE
38 SUBJECT TO THE SAME TIMESHARE INSTRUMENT, TOGETHER WITH ANY OTHER PROPERTY OR
39 RIGHTS TO PROPERTY APPURTENANT TO THOSE ACCOMMODATIONS.

40 15. "TIMESHARE USE" MEANS THE RIGHT TO OCCUPY A TIMESHARE PROPERTY THAT
41 IS NOT COUPLED WITH AN ESTATE IN REAL PROPERTY.

42 33-2203. Management of timeshare plan and timeshare property

43 A. FOR EACH TIMESHARE PLAN AND TIMESHARE PROPERTY IN THIS STATE, THE
44 DEVELOPER SHALL PROVIDE IN THE TIMESHARE INSTRUMENT FOR A MANAGING ENTITY.
45 THE MANAGING ENTITY MAY BE THE DEVELOPER, A SEPARATE MANAGER OR MANAGEMENT

1 FIRM OR AN ASSOCIATION. THERE MAY BE DIFFERENT MANAGING ENTITIES FOR THE
2 TIMESHARE PLAN AND THE TIMESHARE PROPERTY OR FOR PORTIONS OF THE TIMESHARE
3 PROPERTY. THIS SECTION APPLIES TO A MANAGING ENTITY ONLY TO THE EXTENT OF
4 ITS AUTHORITY TO MANAGE THE TIMESHARE PLAN OR TIMESHARE PROPERTY UNDER THE
5 TIMESHARE INSTRUMENT.

6 B. THE MANAGING ENTITY SHALL ACT IN THE CAPACITY OF A FIDUCIARY TO THE
7 OWNERS OF TIMESHARE INTERESTS IN THE TIMESHARE PLAN.

8 C. THE ASSOCIATION OR OTHER MANAGING ENTITY MAY ENTER INTO A CONTRACT
9 WITH A MANAGER OR MANAGEMENT FIRM TO PROVIDE SOME OR ALL OF THE MANAGEMENT
10 SERVICES TO THE TIMESHARE PLAN OR TIMESHARE PROPERTY, BUT THE MANAGER OR
11 MANAGEMENT FIRM SHALL NOT BE CONSIDERED THE MANAGING ENTITY OF THE TIMESHARE
12 PLAN OR TIMESHARE PROPERTY.

13 D. FOR ANY MANAGEMENT CONTRACT ENTERED INTO DURING ANY PERIOD OF TIME
14 IN WHICH THE DEVELOPER OR AN AFFILIATE OF THE DEVELOPER IS THE MANAGING
15 ENTITY OR CONTROLS A MAJORITY OF THE VOTING INTERESTS IN THE ASSOCIATION, THE
16 INITIAL TERM OF THE MANAGEMENT CONTRACT SHALL EXPIRE NO LATER THAN AT THE END
17 OF FIVE YEARS.

18 E. ANY MANAGEMENT CONTRACT BETWEEN THE ASSOCIATION AND A MANAGER OR
19 MANAGEMENT FIRM MAY PROVIDE THAT IT IS AUTOMATICALLY RENEWABLE FOR SUCCESSIVE
20 TERMS NOT EXCEEDING FIVE YEARS EACH, UNLESS THE OWNERS VOTE TO DISCHARGE THE
21 MANAGER OR MANAGEMENT FIRM. A DISCHARGE VOTE SHALL BE CONDUCTED BY THE BOARD
22 OF THE ASSOCIATION ON WRITTEN REQUEST OF OWNERS WHO HOLD AT LEAST TWO PER
23 CENT OF THE VOTING INTERESTS IN THE ASSOCIATION AND WHO ARE NOT DELINQUENT IN
24 ASSESSMENTS FOR COMMON EXPENSES, OR SUCH LOWER NUMBER AS SET FORTH IN THE
25 TIMESHARE INSTRUMENT. THE WRITTEN REQUEST MUST BE MADE NO EARLIER THAN
26 TWELVE MONTHS BEFORE THE RENEWAL DATE AND NO LATER THAN SIX MONTHS BEFORE THE
27 RENEWAL DATE. THE MANAGER OR MANAGEMENT FIRM IS DEEMED TO BE DISCHARGED IF
28 AT LEAST SIXTY-SIX PER CENT OF THE VOTES CAST VOTE TO DISCHARGE AND THOSE
29 VOTES INCLUDE AT LEAST FIFTY PER CENT OF ALL VOTES ALLOCATED TO OWNERS, OR
30 SUCH LESSER PERCENTAGES AS ARE PROVIDED IN THE TIMESHARE INSTRUMENT.

31 F. THE MANAGEMENT CONTRACT SHALL CONTAIN THE FOLLOWING PROVISIONS:

32 1. THE MANAGEMENT CONTRACT MAY BE TERMINATED FOR CAUSE BY A VOTE IN
33 FAVOR OF TERMINATION BY A MAJORITY OF THE VOTES CAST BY OWNERS CONCERNING THE
34 ISSUE AND THOSE VOTES INCLUDE AT LEAST TWENTY-FIVE PER CENT OF ALL VOTES
35 ALLOCATED TO OWNERS, OR SUCH LESSER PERCENTAGES AS ARE PROVIDED IN THE
36 TIMESHARE INSTRUMENT.

37 2. THE RESIGNATION OF THE MANAGER OR MANAGEMENT FIRM IS NOT EFFECTIVE
38 UNTIL ONE HUNDRED TWENTY DAYS AFTER RECEIPT OF THE WRITTEN RESIGNATION BY THE
39 BOARD, OR BY THE OWNERS IF THERE IS NO ASSOCIATION, OR SUCH LONGER PERIOD
40 AFTER RECEIPT AS PROVIDED IN THE TIMESHARE INSTRUMENT EXCEPT THAT THE BOARD
41 OR THE OWNERS MAY DESIGNATE A SHORTER PERIOD IN WRITTEN NOTICE TO THE MANAGER
42 OR MANAGEMENT FIRM.

43 G. THE MANAGEMENT CONTRACT MAY PROVIDE FOR OTHER RIGHTS OF TERMINATION
44 BY THE ASSOCIATION.

1 H. IF A MANAGER OR MANAGEMENT FIRM RESIGNS OR IS DISCHARGED, THE
2 ASSOCIATION, IF ANY, OR OTHER MANAGING ENTITY SHALL REMAIN RESPONSIBLE FOR
3 OPERATING AND MAINTAINING THE APPLICABLE TIMESHARE PLAN OR TIMESHARE
4 PROPERTY, OR BOTH, PURSUANT TO THE TIMESHARE INSTRUMENT AND THIS CHAPTER.

5 I. IF THE ASSOCIATION OR OTHER MANAGING ENTITY FAILS TO OPERATE AND
6 MAINTAIN IN ANY MATERIAL RESPECT THE TIMESHARE PLAN OR TIMESHARE PROPERTY
7 PURSUANT TO THE TIMESHARE INSTRUMENT AND THIS CHAPTER AND THAT FAILURE
8 MATERIALLY AND ADVERSELY AFFECTS THE TIMESHARE PLAN, THE TIMESHARE PROPERTY
9 OR THE OWNERS, ANY OWNER MAY APPLY TO THE SUPERIOR COURT IN THE COUNTY IN
10 WHICH THE TIMESHARE PLAN OR ANY TIMESHARE PROPERTY IS LOCATED FOR THE
11 APPOINTMENT OF A RECEIVER TO MANAGE THE AFFAIRS OF THE ASSOCIATION, TIMESHARE
12 PLAN OR TIMESHARE PROPERTY. AT LEAST THIRTY DAYS BEFORE APPLYING TO THE
13 COURT, THE OWNER SHALL MAIL BY CERTIFIED MAIL TO THE BOARD OF THE ASSOCIATION
14 OR OTHER MANAGING ENTITY AND POST IN A CONSPICUOUS PLACE ON THE TIMESHARE
15 PROPERTY A NOTICE DESCRIBING THE INTENDED ACTION. DURING THAT THIRTY DAY
16 PERIOD, THE ASSOCIATION OR OTHER MANAGING ENTITY MAY ATTEMPT TO CURE THE
17 ALLEGED FAILURE. IF A RECEIVER IS APPOINTED, THE ASSOCIATION OR OTHER
18 MANAGING ENTITY IS RESPONSIBLE, AS A COMMON EXPENSE OF THE TIMESHARE PLAN,
19 FOR PAYMENT OF THE SALARY AND EXPENSES OF THE RECEIVER RELATING TO THE
20 DISCHARGE OF THE RECEIVER'S DUTIES AND OBLIGATIONS, TOGETHER WITH THE
21 RECEIVER'S COURT COSTS, AND REASONABLE ATTORNEY FEES. THE RECEIVER HAS ALL
22 POWERS AND DUTIES OF THE MANAGING ENTITY AND SERVES UNTIL DISCHARGED BY THE
23 COURT.

24 33-2204. Powers of board; limitations; period of developer
25 control; election of directors and officers; removal
26 of directors

27 A. EXCEPT AS PROVIDED IN THE TIMESHARE INSTRUMENT, SUBSECTION B OR
28 OTHER PROVISIONS OF THIS CHAPTER, THE BOARD MAY ACT IN ALL INSTANCES ON
29 BEHALF OF THE ASSOCIATION.

30 B. EXCEPT AS EXPRESSLY AUTHORIZED IN THE TIMESHARE INSTRUMENT, THE
31 BOARD SHALL NOT ACT ON BEHALF OF THE ASSOCIATION TO AMEND THE TIMESHARE
32 INSTRUMENT, TERMINATE THE TIMESHARE PLAN, ELECT OR REMOVE MEMBERS OF THE
33 BOARD OR DETERMINE THE QUALIFICATIONS, POWERS AND DUTIES OR TERMS OF OFFICE
34 OF DIRECTORS. THE BOARD MAY FILL VACANCIES IN ITS MEMBERSHIP FOR THE
35 UNEXPIRED PORTION OF ANY TERM, SUBJECT TO THE TIMESHARE INSTRUMENT.

36 C. EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, THE TIMESHARE
37 INSTRUMENT MAY PROVIDE FOR A PERIOD OF DEVELOPER CONTROL OF AN ASSOCIATION
38 DURING WHICH THE DEVELOPER, OR A PERSON DESIGNATED BY THE DEVELOPER, MAY
39 APPOINT AND REMOVE THE OFFICERS OF THE ASSOCIATION AND THE MEMBERS OF THE
40 BOARD. NOTWITHSTANDING THE PERIOD PROVIDED IN THE TIMESHARE INSTRUMENT, THE
41 PERIOD OF DEVELOPER CONTROL OF THE ASSOCIATION TERMINATES NO LATER THAN THE
42 EARLIER OF:

43 1. ONE HUNDRED TWENTY DAYS AFTER CONVEYANCE OF NINETY-FIVE PER CENT OF
44 THE TIMESHARE INTERESTS THAT WERE CREATED BY THE TIMESHARE INSTRUMENT TO
45 OWNERS OTHER THAN THE DEVELOPER.

1 2. FIVE YEARS AFTER THE DEVELOPER HAS CEASED TO OFFER TIMESHARE
2 INTERESTS FOR SALE IN THE ORDINARY COURSE OF BUSINESS, UNDER EITHER THE
3 TIMESHARE PLAN ITSELF OR ANOTHER TIMESHARE PLAN IN WHICH THE TIMESHARE
4 INTERESTS ARE INCLUDED, WHICHEVER IS LATER.

5 D. A DEVELOPER MAY VOLUNTARILY SURRENDER THE RIGHT TO APPOINT AND
6 REMOVE OFFICERS OF THE ASSOCIATION AND MEMBERS OF THE BOARD BEFORE THE END OF
7 THE PERIOD PROVIDED FOR IN SUBSECTION C BY EXECUTING A WRITTEN INSTRUMENT
8 DECLARING THE SURRENDER AND PROVIDING A COPY OF THE INSTRUMENT TO THE OWNERS.
9 IF THE TIMESHARE INSTRUMENT IS RECORDED, THE DEVELOPER'S SURRENDER INSTRUMENT
10 SHALL BE RECORDED. IN THE DEVELOPER'S SURRENDER INSTRUMENT, THE DEVELOPER
11 MAY REQUIRE THAT, FOR THE DURATION OF THE PERIOD OF THE DEVELOPER'S CONTROL,
12 SPECIFIED ACTIONS OF THE ASSOCIATION OR BOARD AS DESCRIBED IN THE TIMESHARE
13 INSTRUMENT BE APPROVED BY THE DEVELOPER BEFORE THEY BECOME EFFECTIVE.

14 E. IF THE TIMESHARE INSTRUMENT PROVIDES FOR A DEVELOPER CONTROL PERIOD
15 OF SHORTER DURATION THAN ANY PERIOD PRESCRIBED BY THIS SECTION, THE TIMESHARE
16 INSTRUMENT CONTROLS.

17 F. NO LATER THAN THE TERMINATION OF ANY PERIOD OF DEVELOPER CONTROL,
18 THE OWNERS SHALL ELECT A BOARD OF AT LEAST THREE MEMBERS, WHICH MAY INCLUDE
19 REPRESENTATIVES OF THE DEVELOPER. THE BOARD SHALL ELECT THE OFFICERS OF THE
20 ASSOCIATION. THE BOARD MEMBERS AND OFFICERS OF THE ASSOCIATION TAKE OFFICE
21 ON ELECTION.

22 G. NOTWITHSTANDING ANY PROVISION OF A TIMESHARE INSTRUMENT OR THE
23 BYLAWS OF AN ASSOCIATION TO THE CONTRARY, THE OWNERS, BY A VOTE REPRESENTING
24 AT LEAST TWO-THIRDS OF ALL VOTING RIGHTS OF PERSONS PRESENT IN PERSON OR BY
25 PROXY WHO ARE ENTITLED TO VOTE AT ANY MEETING OF THE OWNERS AT WHICH A QUORUM
26 IS PRESENT, MAY REMOVE ANY MEMBER OF THE BOARD, WITH OR WITHOUT CAUSE, OTHER
27 THAN A MEMBER APPOINTED BY THE DEVELOPER DURING THE PERIOD OF DEVELOPER
28 CONTROL UNDER SUBSECTION C.

29 33-2205. Quorums; votes

30 A. UNLESS THE TIMESHARE INSTRUMENT PROVIDES FOR A HIGHER QUORUM
31 REQUIREMENT, THE PERCENTAGE OF VOTING INTERESTS REQUIRED TO MAKE DECISIONS
32 AND TO CONSTITUTE A QUORUM AT A MEETING OF THE MEMBERS OF AN ASSOCIATION
33 SHALL BE TEN PER CENT OF THE VOTING INTERESTS OF OWNERS WHO ARE NOT
34 DELINQUENT IN ASSESSMENTS FOR COMMON EXPENSES, IN PERSON OR BY PROXY. IF A
35 QUORUM IS NOT PRESENT AT ANY MEETING OF THE ASSOCIATION AT WHICH MEMBERS OF
36 THE BOARD ARE TO BE ELECTED, THE MEETING MAY BE ADJOURNED AND RECONVENED
37 WITHIN NINETY DAYS FOR THE SOLE PURPOSE OF ELECTING MEMBERS OF THE BOARD, AND
38 THE QUORUM FOR SUCH ADJOURNED MEETING SHALL BE TEN PER CENT OF THE VOTING
39 INTERESTS OF OWNERS WHO ARE NOT DELINQUENT IN ASSESSMENTS FOR COMMON
40 EXPENSES, IN PERSON OR BY PROXY.

41 B. UNLESS THE TIMESHARE INSTRUMENT PROVIDES OTHERWISE, A QUORUM SHALL
42 BE DEEMED TO BE PRESENT THROUGHOUT A MEETING OF THE BOARD IF PERSONS ENTITLED
43 TO CAST A MAJORITY OF THE VOTES ON THAT BOARD ARE PRESENT AT THE BEGINNING OF
44 THE MEETING.

1 C. IF ONLY ONE OF THE MULTIPLE OWNERS OF A TIMESHARE INTEREST IS
2 PRESENT AT A MEETING OF THE ASSOCIATION, THAT OWNER IS ENTITLED TO CAST ALL
3 THE VOTES ALLOCATED TO THAT TIMESHARE INTEREST. IF MORE THAN ONE OF THE
4 MULTIPLE OWNERS ARE PRESENT, THE VOTES ALLOCATED TO THAT TIMESHARE INTEREST
5 MAY BE CAST ONLY IN ACCORDANCE WITH THE AGREEMENT OF A MAJORITY IN INTEREST
6 OF THE MULTIPLE OWNERS UNLESS THE TIMESHARE INTEREST EXPRESSLY PROVIDES
7 OTHERWISE. THERE IS A MAJORITY AGREEMENT IF ANY ONE OF THE MULTIPLE OWNERS
8 CASTS THE VOTES ALLOCATED TO THAT TIMESHARE INTEREST WITHOUT PROTEST BEING
9 MADE PROMPTLY TO THE PERSON PRESIDING OVER THE MEETING BY ANY OF THE OTHER
10 OWNERS OF THE TIMESHARE INTEREST.

11 D. VOTES ALLOCATED TO A TIMESHARE INTEREST MAY BE CAST PURSUANT TO A
12 PROXY DULY EXECUTED BY AN OWNER. A PROXY SHALL EXPRESSLY STATE ITS DATES OF
13 EXECUTION AND TERMINATION. AN OWNER MAY NOT REVOKE A PROXY GIVEN PURSUANT TO
14 THIS SECTION EXCEPT BY ACTUAL NOTICE OF REVOCATION TO THE PERSON PRESIDING
15 OVER A MEETING OF THE ASSOCIATION. A PROXY IS REVOKED ON PRESENTATION OF A
16 LATER DATED PROXY EXECUTED BY THE SAME OWNER. A PROXY TERMINATES TWENTY-FIVE
17 MONTHS AFTER ITS DATE OF EXECUTION, UNLESS IT SPECIFIES A SHORTER TERM OR
18 UNLESS IT STATES THAT IT IS COUPLED WITH AN INTEREST AND IS IRREVOCABLE.

19 E. UNLESS THE TIMESHARE INSTRUMENT FOR A TIMESHARE PLAN PROVIDES
20 OTHERWISE, VOTES ALLOCATED TO A TIMESHARE INTEREST IN THAT TIMESHARE PLAN
21 OWNED BY THE ASSOCIATION FOR THAT TIMESHARE PLAN SHALL NOT BE CAST.

22 F. THE TIMESHARE INSTRUMENT FOR A TIMESHARE PLAN MAY AUTHORIZE VOTES
23 OF MEMBERS OF AN ASSOCIATION TO BE CONDUCTED BY MAIL ON COMPLIANCE WITH ALL
24 OF THE FOLLOWING:

25 1. MAIL BALLOTS ARE MAILED OR SENT TO ALL MEMBERS IN THE MANNER
26 PRESCRIBED FOR NOTICES OF SPECIAL MEETINGS PURSUANT TO SECTION 33-2208.

27 2. THE PERIOD FOR RETURN OF MAIL BALLOTS IS AT LEAST THIRTY DAYS AFTER
28 THE DATE THE BALLOTS ARE MAILED OR SENT TO MEMBERS.

29 3. THE REQUIRED MINIMUM NUMBER OF BALLOTS THAT MUST BE RETURNED BY
30 MEMBERS FOR THE VOTE TO BE EFFECTIVE IS AT LEAST EQUAL TO THE QUORUM
31 PERCENTAGE PRESCRIBED IN SUBSECTION A OF THIS SECTION.

32 G. EXCEPT AS OTHERWISE PROVIDED IN THE TIMESHARE INSTRUMENT, OWNERS
33 WHO ARE DELINQUENT IN ASSESSMENTS FOR COMMON EXPENSES DO NOT HAVE THE RIGHT
34 TO CAST VOTES.

35 H. ONLY TIMESHARE INTERESTS INCLUDED IN THE TIMESHARE PLAN HAVE VOTING
36 RIGHTS.

37 33-2206. Duties of the managing entity

38 A. THE DUTIES OF THE APPLICABLE MANAGING ENTITY FOR A TIMESHARE PLAN
39 OR TIMESHARE PROPERTY MAY INCLUDE, BUT ARE NOT LIMITED TO:

40 1. MANAGEMENT OF THE TIMESHARE PLAN OR MANAGEMENT AND MAINTENANCE OF
41 THE TIMESHARE PROPERTY, OR BOTH, IN ACCORDANCE WITH THE TIMESHARE INSTRUMENT.

42 2. COLLECTION OF ALL ASSESSMENTS FOR COMMON EXPENSES, INCLUDING
43 RESERVES, IF APPLICABLE, IN ACCORDANCE WITH THE TIMESHARE INSTRUMENT.

44 3. MAKING AVAILABLE ANNUALLY TO ALL OWNERS AN ITEMIZED ANNUAL BUDGET
45 THAT INCLUDES ALL ESTIMATED REVENUES AND EXPENSES. THE BUDGET SHALL BE

1 PREPARED BY THE MANAGING ENTITY FOR THE CURRENT FISCAL YEAR AND ADOPTED AS
2 PROVIDED IN THE TIMESHARE INSTRUMENT. THE MANAGING ENTITY SHALL NOTIFY THE
3 OWNERS OF THE AVAILABILITY OF THE ADOPTED ANNUAL BUDGET NOT LATER THAN
4 FORTY-FIVE DAYS AFTER ITS ADOPTION. THE BUDGET SHALL CONTAIN, AS A FOOTNOTE
5 OR OTHERWISE, ANY RELATED PARTY TRANSACTION DISCLOSURES OR NOTES RELATED TO
6 THE TIMESHARE PLAN OR TIMESHARE PROPERTY THAT APPEAR IN ANY AUDITED FINANCIAL
7 STATEMENTS OF THE MANAGING ENTITY, MANAGER AND MANAGEMENT FIRM FOR THE
8 PREVIOUS BUDGET YEAR. THE BUDGET PREPARED BY ANY MANAGING ENTITY MAY BE FOR
9 A TIMESHARE PLAN OR ONLY FOR SPECIFIED TIMESHARE PROPERTY AS PROVIDED IN THE
10 TIMESHARE INSTRUMENT.

11 4. MAINTENANCE OF ALL BOOKS AND RECORDS CONCERNING THE TIMESHARE PLAN
12 OR TIMESHARE PROPERTY, OR BOTH.

13 5. IF OWNERS ARE NOT ENTITLED TO USE SPECIFIC TIMESHARE PERIODS,
14 SCHEDULING OCCUPANCY OF THE ACCOMMODATION IN ACCORDANCE WITH THE TIMESHARE
15 INSTRUMENT. A TIMESHARE INSTRUMENT MAY PROVIDE TIMESHARE OWNERS WITH THE USE
16 RIGHTS TO ACCOMMODATIONS BEYOND THE OWNERS' TIMESHARE INTERESTS AS AN
17 INCIDENT OF OWNERSHIP ON TERMS SET FORTH IN THE TIMESHARE INSTRUMENT.

18 6. MAINTAINING INSURANCE POLICIES IN ACCORDANCE WITH THE TIMESHARE
19 INSTRUMENT.

20 7. ACTING AS AGENT OF THE OWNERS PURSUANT TO SECTION 42-13454.

21 8. PERFORMING ANY OTHER FUNCTIONS AND DUTIES THAT ARE NECESSARY AND
22 PROPER TO MAINTAIN THE TIMESHARE PLAN OR TIMESHARE PROPERTY, AS PROVIDED IN
23 THE TIMESHARE INSTRUMENT. THE TIMESHARE INSTRUMENT MAY IMPOSE REQUIREMENTS
24 ON THE MANAGING ENTITY BEYOND THOSE SET FORTH IN THIS CHAPTER.

25 B. MONIES IN ANY DEFERRED MAINTENANCE OR CAPITAL EXPENDITURE RESERVE
26 ACCOUNT MAY NOT BE TRANSFERRED TO AN OPERATING ACCOUNT FOR ANY PURPOSE OTHER
27 THAN TO PAY FOR DEFERRED MAINTENANCE OR CAPITAL EXPENDITURES WITHOUT THE
28 CONSENT OF OWNERS OF A MAJORITY OF THE TIMESHARE INTERESTS IN THE TIMESHARE
29 PROPERTY. EXCEPT AS PROVIDED IN THE TIMESHARE INSTRUMENT, THE MANAGING
30 ENTITY MAY TRANSFER MONIES IN ANY OPERATING ACCOUNT TO ANY DEFERRED
31 MAINTENANCE OR CAPITAL EXPENDITURE RESERVE ACCOUNT WITHOUT THE VOTE OR
32 APPROVAL OF OWNERS OF THE TIMESHARE INTERESTS. THE MANAGING ENTITY OR BOARD
33 MAY TRANSFER MONIES FROM ONE RESERVE ACCOUNT TO ANOTHER RESERVE ACCOUNT
34 WITHOUT THE VOTE OR APPROVAL OF THE OWNERS OF THE TIMESHARE INTERESTS.

35 C. THE MANAGING ENTITY MAY INVEST THE OPERATING AND RESERVE MONIES OF
36 THE TIMESHARE PLAN OR TIMESHARE PROPERTY BUT THE MANAGING ENTITY SHALL GIVE
37 SAFETY OF CAPITAL GREATER WEIGHT THAN PRODUCTION OF INCOME. THE MANAGING
38 ENTITY SHALL NOT INVEST TIMESHARE PLAN OR TIMESHARE PROPERTY MONIES WITH A
39 DEVELOPER OR WITH ANY ENTITY THAT IS NOT INDEPENDENT OF ANY DEVELOPER OR ANY
40 MANAGING ENTITY, AND THE MANAGING ENTITY SHALL NOT INVEST TIMESHARE PLAN OR
41 TIMESHARE PROPERTY MONIES IN NOTES AND MORTGAGES RELATED IN ANY WAY TO THE
42 TIMESHARE PLAN OR TIMESHARE PROPERTY.

43 D. THE MANAGING ENTITY OF A TIMESHARE PLAN OR TIMESHARE PROPERTY SHALL
44 NOT COMMINGLE OPERATING MONIES WITH RESERVE MONIES BUT THE MANAGING ENTITY
45 MAY MAINTAIN OPERATING AND RESERVE MONIES WITHIN A SINGLE ACCOUNT FOR A

1 PERIOD NOT TO EXCEED NINETY DAYS AFTER THE DATE ON WHICH THE MANAGING ENTITY
2 RECEIVED PAYMENT OF THOSE MONIES.

3 E. A MANAGING ENTITY THAT SERVES AS MANAGING ENTITY OF MORE THAN ONE
4 TIMESHARE PLAN SHALL NOT COMMINGLE THE COMMON EXPENSE MONIES OF ANY ONE
5 TIMESHARE PLAN WITH THE COMMON EXPENSE MONIES OF ANY OTHER TIMESHARE PLAN.

6 F. THE MANAGING ENTITY MAY LEVY AND ENFORCE ASSESSMENTS ON ANY
7 TIMESHARE INTERESTS IN ACCORDANCE WITH THE TIMESHARE INSTRUMENT, AND THE
8 ASSESSMENT CONSTITUTES A DEBT OF THE OWNER OF THE INTEREST AT THE TIME THE
9 ASSESSMENT IS MADE. ASSESSMENTS AND OTHER MONETARY OBLIGATIONS ARE GOVERNED
10 AS FOLLOWS:

11 1. THE TIMESHARE INSTRUMENT SHALL PROVIDE FOR THE ALLOCATION OF COMMON
12 EXPENSES AMONG TIMESHARE INTERESTS, AS ASSESSMENTS, ON A REASONABLE BASIS.
13 THE TIMESHARE INSTRUMENT MAY ALLOCATE EXPENSES DIFFERENTLY BETWEEN
14 ACCOMMODATIONS THAT ARE PART OF THE TIMESHARE PLAN AND FACILITIES THAT ARE
15 NOT PART OF THE TIMESHARE PLAN IF THE DIFFERENT ALLOCATIONS ARE BASED ON
16 REASONABLE DIFFERENCES IN THE BENEFIT PROVIDED TO EACH TYPE OF PROPERTY. THE
17 TIMESHARE INSTRUMENT SHALL ALLOCATE COMMON EXPENSES TO TIMESHARE INTERESTS
18 OWNED OR NOT YET SOLD BY A DEVELOPER ON THE SAME BASIS THAT COMMON EXPENSES
19 ARE ALLOCATED TO SIMILAR OR EQUIVALENT TIMESHARE INTERESTS SOLD TO
20 PURCHASERS, AS ASSESSMENTS, EXCEPT IF A SUBSIDY AGREEMENT OR SIMILAR DOCUMENT
21 IS IN PLACE THAT PROVIDES FOR THE DEVELOPER TO PAY NO, OR A LESSER SHARE OF,
22 COMMON EXPENSES IN RETURN FOR SUBSIDIZING ANY DEFICITS OR SHORTFALLS IN THE
23 OPERATING MONIES OF THE TIMESHARE PLAN, AND IF THAT EXCLUSION FROM OR REDUCED
24 ASSESSMENTS AND SUBSIDY AGREEMENT OR OTHER DOCUMENT ARE REFERRED TO IN THE
25 PUBLIC REPORTS ISSUED UNDER SECTION 32-2197.08.

26 2. THE MANAGING ENTITY MAY IMPOSE REASONABLE MONETARY PENALTIES FOR
27 VIOLATION OF THE TIMESHARE INSTRUMENT, AS AN ASSESSMENT, AS AUTHORIZED BY THE
28 TIMESHARE INSTRUMENT.

29 3. ASSESSMENTS MAY INCLUDE PERSONAL CHARGES AND OTHER AMOUNTS AS
30 AUTHORIZED BY THE TIMESHARE INSTRUMENT.

31 4. THE MANAGING ENTITY MAY ASSIGN TO THE DELINQUENT OWNERS THE COSTS
32 OF COLLECTION, INCLUDING ATTORNEY FEES, ADMINISTRATIVE FEES, LATE FEES,
33 INTEREST AND PENALTIES AS AUTHORIZED BY THE TIMESHARE INSTRUMENT.

34 5. THE AMOUNT OF ANY ASSESSMENT PLUS ANY OTHER CHARGES SUCH AS
35 INTEREST, COLLECTION COSTS, ATTORNEY FEES, ADMINISTRATIVE FEES, LATE FEES,
36 INTEREST AND PENALTIES, AS MAY BE PROVIDED FOR IN THE TIMESHARE INSTRUMENT,
37 ARE A LIEN ON THE TIMESHARE INTEREST ASSESSED FROM THE TIME THE ASSESSMENT
38 BECAME DUE. THE LIEN HAS PRIORITY OVER OTHER LIENS AS PROVIDED IN THE
39 TIMESHARE INSTRUMENT. THE LIEN MAY BE ENFORCED, FORECLOSED OR REALIZED ON AS
40 PROVIDED IN THE TIMESHARE INSTRUMENT.

41 6. ON THE RECEIPT OF A WRITTEN REQUEST, THE MANAGING ENTITY SHALL
42 FURNISH TO AN OWNER OR ANY LENDER WHO HAS A SECURITY INTEREST IN A TIMESHARE
43 INTEREST OR THE TIMESHARE PROPERTY A STATEMENT SETTING FORTH THE AMOUNT OF
44 UNPAID ASSESSMENTS MADE AGAINST THE OWNER'S TIMESHARE INTEREST. THE
45 STATEMENT MUST BE FURNISHED WITHIN TEN BUSINESS DAYS AFTER RECEIPT OF THE

1 REQUEST AND IS BINDING ON THE MANAGING ENTITY, THE ASSOCIATION, THE BOARD AND
2 EVERY OWNER.

3 33-2207. Foreclosure of assessment liens

4 A. IF AN ASSOCIATION, DEVELOPER OR OTHER MANAGING ENTITY FILES AN
5 ACTION TO FORECLOSE THE ASSESSMENT LIEN ON TIMESHARE INTERESTS, THE
6 ASSOCIATION, DEVELOPER OR OTHER MANAGING ENTITY MAY JOIN IN THE SAME ACTION
7 MULTIPLE DEFENDANT OBLIGORS AND JUNIOR INTEREST HOLDERS OF SEPARATE TIMESHARE
8 INTERESTS, ON COMPLIANCE WITH ALL OF THE FOLLOWING:

9 1. THE FORECLOSURE PROCEEDING INVOLVES A SINGLE TIMESHARE PLAN.
10 2. THE FORECLOSURE PROCEEDING IS FILED BY A SINGLE PLAINTIFF.
11 3. THE DEFAULT AND REMEDY PROVISIONS IN THE WRITTEN INSTRUMENTS ON
12 WHICH THE FORECLOSURE PROCEEDING IS BASED ARE SUBSTANTIALLY THE SAME FOR EACH
13 DEFENDANT.

14 4. THE NATURE OF THE DEFAULTS ALLEGED IS THE SAME FOR EACH DEFENDANT.

15 B. IN ANY FORECLOSURE PROCEEDING INVOLVING MULTIPLE DEFENDANTS FILED
16 PURSUANT TO SUBSECTION A, THE COURT SHALL SEVER FOR SEPARATE TRIAL ANY COUNT
17 OF THE COMPLAINT IN WHICH A DEFENSE OR COUNTERCLAIM IS TIMELY RAISED BY A
18 DEFENDANT.

19 33-2208. Association open meetings; exceptions; notices

20 A. NOTWITHSTANDING ANY PROVISION IN THE TIMESHARE INSTRUMENT TO THE
21 CONTRARY AND EXCEPT AS PROVIDED IN THIS SECTION, AFTER THE PERIOD OF
22 DEVELOPER CONTROL UNDER SECTION 33-2204, ALL MEETINGS OF THE ASSOCIATION AND
23 BOARD ARE OPEN TO ALL MEMBERS OF THE ASSOCIATION AND ALL MEMBERS SO DESIRING
24 SHALL BE PERMITTED TO ATTEND AND LISTEN TO THE DELIBERATIONS AND PROCEEDINGS.
25 MEETINGS SHALL BE CONDUCTED AS PROVIDED IN THE TIMESHARE INSTRUMENT. THE
26 BOARD MAY CLOSE ANY PORTION OF A MEETING OF THE BOARD IF THAT PORTION OF THE
27 MEETING IS LIMITED TO CONSIDERATION OF ONE OR MORE OF THE FOLLOWING:

28 1. LEGAL ADVICE FROM AN ATTORNEY FOR THE BOARD OR THE ASSOCIATION. ON
29 FINAL RESOLUTION OF ANY MATTER FOR WHICH THE BOARD RECEIVED LEGAL ADVICE OR
30 THAT CONCERNED PENDING OR CONTEMPLATED LITIGATION, THE BOARD MAY DISCLOSE
31 INFORMATION ABOUT THAT MATTER IN AN OPEN MEETING EXCEPT FOR MATTERS THAT ARE
32 REQUIRED TO REMAIN CONFIDENTIAL BY THE TERMS OF A SETTLEMENT AGREEMENT OR
33 JUDGMENT.

34 2. PENDING OR CONTEMPLATED LITIGATION.

35 3. FINANCIAL INFORMATION ABOUT AN INDIVIDUAL MEMBER OF THE
36 ASSOCIATION, AN INDIVIDUAL EMPLOYEE OF THE ASSOCIATION, AN INDIVIDUAL
37 EMPLOYEE OF THE MANAGING ENTITY OR AN INDIVIDUAL EMPLOYEE OF A CONTRACTOR FOR
38 THE ASSOCIATION OR MANAGING ENTITY.

39 4. MATTERS RELATING TO THE JOB PERFORMANCE OF, COMPENSATION OF, HEALTH
40 RECORDS OF OR SPECIFIC COMPLAINTS AGAINST AN INDIVIDUAL EMPLOYEE OF THE
41 ASSOCIATION, AN INDIVIDUAL EMPLOYEE OF THE MANAGING ENTITY OR AN INDIVIDUAL
42 EMPLOYEE OF A CONTRACTOR OF THE ASSOCIATION OR MANAGING ENTITY WHO WORKS
43 UNDER THE DIRECTION OF THE ASSOCIATION OR THE MANAGING ENTITY.

44 B. A MEETING OF THE MEMBERS OF THE ASSOCIATION SHALL BE HELD AT LEAST
45 ONCE EACH YEAR AFTER THE PERIOD OF DEVELOPER CONTROL UNDER SECTION 33-2204.

1 SPECIAL MEETINGS OF THE MEMBERS OF THE ASSOCIATION MAY BE CALLED BY THE
2 PRESIDENT, BY A MAJORITY OF THE BOARD OR BY OWNERS HAVING AT LEAST
3 TWENTY-FIVE PER CENT OF THE VOTES IN THE ASSOCIATION, OR ANY LOWER PERCENTAGE
4 SPECIFIED IN THE TIMESHARE INSTRUMENT. UNLESS OTHERWISE PROVIDED IN THE
5 TIMESHARE INSTRUMENT, NOT FEWER THAN THIRTY NOR MORE THAN NINETY DAYS IN
6 ADVANCE OF ANY REGULAR MEETING OF THE OWNERS, AND NOT FEWER THAN TEN NOR MORE
7 THAN SIXTY DAYS IN ADVANCE OF ANY SPECIAL MEETING OF THE OWNERS, THE
8 ASSOCIATION OR MANAGING ENTITY SHALL CAUSE NOTICE OF THE MEETING TO BE SENT
9 OR PROVIDED TO THE MAILING ADDRESS OF EACH OWNER ON RECORD WITH THE
10 ASSOCIATION. THE NOTICE OF ANY MEETING OF THE OWNERS SHALL STATE THE TIME
11 AND PLACE OF THE MEETING. THE NOTICE OF ANY SPECIAL MEETING OF THE OWNERS
12 SHALL ALSO STATE THE PURPOSE FOR WHICH THE MEETING IS CALLED. NOTICES OF
13 MEETINGS MAY BE IN THE FORM OF AN ANNUAL OR OTHER LIST OF UPCOMING MEETINGS
14 AND NEED NOT BE SPECIFIC TO ONE MEETING. THE FAILURE OF ANY OWNER TO RECEIVE
15 ACTUAL NOTICE OF A MEETING OF THE OWNERS DOES NOT AFFECT THE VALIDITY OF ANY
16 ACTION TAKEN AT THAT MEETING.

17 C. UNLESS OTHERWISE PROVIDED IN THE TIMESHARE INSTRUMENT, FOR MEETINGS
18 OF THE BOARD OF DIRECTORS THAT ARE HELD AFTER THE TERMINATION OF DEVELOPER
19 CONTROL OF THE ASSOCIATION, AT LEAST TEN DAYS IN ADVANCE OF ANY MEETING OF
20 THE BOARD, THE ASSOCIATION OR MANAGING ENTITY SHALL CAUSE NOTICE OF THE
21 MEETING TO BE SENT TO THE MAILING ADDRESS OF EACH OWNER ON RECORD WITH THE
22 ASSOCIATION. NOTICE TO OWNERS OF MEETINGS OF THE BOARD IS NOT REQUIRED IF
23 EMERGENCY CIRCUMSTANCES REQUIRE ACTION BY THE BOARD BEFORE NOTICE CAN BE
24 GIVEN. ANY NOTICE OF A BOARD MEETING SHALL STATE THE TIME AND PLACE OF THE
25 MEETING. NOTICES OF MEETINGS MAY BE IN THE FORM OF AN ANNUAL OR OTHER LIST
26 OF UPCOMING MEETINGS AND NEED NOT BE SPECIFIC TO ONE MEETING. THE FAILURE OF
27 ANY OWNER TO RECEIVE ACTUAL NOTICE OF A MEETING OF THE BOARD DOES NOT AFFECT
28 THE VALIDITY OF ANY ACTION TAKEN AT THAT MEETING.

29 D. NOTICES MAY BE IN NEWSLETTERS OR SIMILAR MAILINGS. MAILING SHALL
30 OCCUR BY PREPAID UNITED STATES MAIL OR ELECTRONIC MAIL FOR THOSE OWNERS WHO
31 HAVE PROVIDED ELECTRONIC MAIL ADDRESSES OR ANY OTHER REASONABLE METHOD
32 SELECTED BY THE BOARD. AN AFFIDAVIT OF NOTICE BY AN OFFICER OF THE
33 ASSOCIATION OR BY THE MANAGING ENTITY IS PRIMA FACIE EVIDENCE THAT NOTICE WAS
34 GIVEN AS PRESCRIBED BY THIS SECTION.

35 33-2209. Financial and other records

36 A. EXCEPT AS PROVIDED IN THIS SECTION AND SECTION 33-2210, ANY OWNER
37 OR ANY PERSON DESIGNATED BY THE OWNER IN WRITING AS THE OWNER'S
38 REPRESENTATIVE MAY INSPECT AND COPY ALL FINANCIAL AND OTHER RECORDS OF THE
39 ASSOCIATION OR OTHER MANAGING ENTITY THAT ARE DIRECTLY RELATED TO THE
40 TIMESHARE PLAN AT THE LOCATION WHERE SUCH RECORDS ARE NORMALLY KEPT, OR AT
41 ANOTHER LOCATION REASONABLY SPECIFIED BY THE ASSOCIATION OR OTHER MANAGING
42 ENTITY, DURING NORMAL BUSINESS HOURS.

43 B. AN OWNER MAY INSPECT AND COPY THE RECORDS IDENTIFIED IN SUBSECTION
44 A OF THIS SECTION ONLY IF THE FOLLOWING CONDITIONS ARE MET:

1 1. THE OWNER'S REQUEST IS IN WRITING AND IS RECEIVED BY THE MANAGING
2 ENTITY IN CARE OF THE PERSON AND AT THE ADDRESS DESIGNATED BY THE MANAGING
3 ENTITY FOR RECEIPT OF SUCH REQUESTS.

4 2. THE OWNER'S WRITTEN REQUEST IS MADE IN GOOD FAITH AND FOR A PROPER
5 PURPOSE.

6 3. THE OWNER'S WRITTEN REQUEST DESCRIBES WITH REASONABLE PARTICULARITY
7 THE OWNER'S PURPOSE AND THE RECORDS THE OWNER DESIRES TO INSPECT.

8 4. THE RECORDS ARE DIRECTLY CONNECTED WITH THE OWNER'S PURPOSE.

9 5. THE OWNER AGREES IN WRITING NOT TO USE THE RECORDS FOR ANY PURPOSE
10 OTHER THAN THE PURPOSE DESCRIBED IN THE WRITTEN REQUEST.

11 C. THE BOARD OF THE ASSOCIATION OR OTHER MANAGING ENTITY IS
12 RESPONSIBLE FOR DETERMINING THE APPROPRIATENESS OF ANY OWNER REQUEST UNDER
13 THIS SECTION, AND SHALL PROVIDE A WRITTEN RESPONSE WITHIN THIRTY DAYS AFTER
14 RECEIPT OF THE REQUEST. IF THE OWNER'S REQUEST INCLUDES COPIES PURSUANT TO
15 SUBSECTION E OF THIS SECTION, THE COPIES SHALL BE PROVIDED WITHIN THIRTY
16 DAYS AFTER THE LATER OF THE BOARD'S OR OTHER MANAGING ENTITY'S DETERMINATION
17 UNDER THIS SUBSECTION OR THE OWNER MAKING SUITABLE FINANCIAL ARRANGEMENTS
18 PURSUANT TO SUBSECTION E OF THIS SECTION.

19 D. THIS SECTION DOES NOT AFFECT EITHER:

20 1. INSPECTION OF RECORDS UNDER SECTION 10-3720, IF APPLICABLE, OR, IF
21 THE OWNER IS IN LITIGATION WITH THE ASSOCIATION OR OTHER MANAGING ENTITY,
22 INSPECTION OF RECORDS TO THE SAME EXTENT AS ANY OTHER LITIGANT.

23 2. THE POWER OF A COURT, INDEPENDENTLY OF THIS CHAPTER, TO COMPEL THE
24 PRODUCTION OF RECORDS FOR EXAMINATION ON PROOF BY AN OWNER OF PROPER PURPOSE.

25 E. A REQUEST TO COPY RECORDS UNDER THIS SECTION INCLUDES, IF
26 REASONABLE, RECEIVING COPIES MADE BY PHOTOGRAPHIC, XEROGRAPHIC OR OTHER
27 MEANS. THE ASSOCIATION OR OTHER MANAGING ENTITY MAY IMPOSE A REASONABLE
28 CHARGE COVERING THE COST OF LABOR AND MATERIALS FOR COPIES OF ANY DOCUMENTS
29 PROVIDED TO THE OWNER OR THE OWNER'S REPRESENTATIVE. THE CHARGE SHALL NOT
30 EXCEED THE ESTIMATED COST OF PRODUCTION OR REPRODUCTION OF THE RECORDS.

31 F. IN ADDITION TO SUBSECTION B OF THIS SECTION, BOOKS AND RECORDS KEPT
32 BY OR ON BEHALF OF THE ASSOCIATION AND THE BOARD OR OTHER MANAGING ENTITY MAY
33 BE WITHHELD FROM DISCLOSURE TO THE EXTENT THAT THE PORTION WITHHELD RELATES
34 TO ANY OF THE FOLLOWING:

35 1. PRIVILEGED COMMUNICATION BETWEEN AN ATTORNEY FOR THE ASSOCIATION OR
36 OTHER MANAGING ENTITY AND THE ASSOCIATION OR MANAGING ENTITY.

37 2. PENDING OR CONTEMPLATED LITIGATION.

38 3. MEETING MINUTES OR OTHER RECORDS OF A SESSION OF A BOARD MEETING
39 THAT IS NOT REQUIRED TO BE OPEN TO ALL MEMBERS PURSUANT TO SECTION 33-2208.

40 4. PERSONAL, HEALTH AND FINANCIAL RECORDS OF AN INDIVIDUAL OWNER, AN
41 INDIVIDUAL EMPLOYEE OF THE ASSOCIATION OR MANAGING ENTITY OR AN INDIVIDUAL
42 EMPLOYEE OF A CONTRACTOR OF THE ASSOCIATION OR MANAGING ENTITY.

43 5. RECORDS RELATING TO THE JOB PERFORMANCE OF, COMPENSATION OF, HEALTH
44 RECORDS OF OR SPECIFIC COMPLAINTS AGAINST AN INDIVIDUAL EMPLOYEE OF THE
45 ASSOCIATION OR MANAGING ENTITY OR AN INDIVIDUAL EMPLOYEE OF A CONTRACTOR OF

1 THE ASSOCIATION OR MANAGING ENTITY WHO WORKS UNDER THE DIRECTION OF THE
2 ASSOCIATION OR MANAGING ENTITY.

3 G. THE ASSOCIATION OR OTHER MANAGING ENTITY SHALL NOT BE REQUIRED TO
4 DISCLOSE FINANCIAL AND OTHER RECORDS OF THE ASSOCIATION OR OTHER MANAGING
5 ENTITY IF DISCLOSURE WOULD VIOLATE ANY STATE OR FEDERAL LAW.

6 H. THE TIMESHARE INSTRUMENT MAY PROVIDE FOR GREATER ACCESS OF OWNERS
7 TO RECORDS OF THE ASSOCIATION OR OTHER MANAGING ENTITY.

8 33-2210. List of owners

9 A. THE ASSOCIATION OR OTHER MANAGING ENTITY SHALL MAINTAIN AMONG ITS
10 RECORDS A COMPLETE LIST OF THE NAMES AND ADDRESSES OF ALL OWNERS OF TIMESHARE
11 INTERESTS IN THE TIMESHARE PLAN. THE ASSOCIATION OR OTHER MANAGING ENTITY
12 SHALL UPDATE THIS LIST NO LESS FREQUENTLY THAN QUARTERLY. NEITHER THE
13 ASSOCIATION NOR OTHER MANAGING ENTITY MAY PUBLISH THIS OWNERS' LIST OR
14 PROVIDE A COPY OF IT TO ANY OWNER OR TO ANY THIRD PARTY.

15 B. THE ASSOCIATION OR OTHER MANAGING ENTITY SHALL MAIL TO THOSE
16 PERSONS LISTED ON THE OWNERS' LIST PRESCRIBED BY SUBSECTION A ANY MATERIALS
17 PROVIDED BY ANY OWNER, ON THE WRITTEN REQUEST OF THAT OWNER, IF THE PURPOSE
18 OF THE MAILING IS TO ADVANCE LEGITIMATE ASSOCIATION BUSINESS, SUCH AS A PROXY
19 SOLICITATION FOR ANY PURPOSE, INCLUDING THE RECALL OF ONE OR MORE BOARD
20 MEMBERS ELECTED BY THE OWNERS OR THE DISCHARGE OF THE MANAGER OR MANAGEMENT
21 FIRM. THE USE OF ANY PROXIES SOLICITED IN THIS MANNER MUST COMPLY WITH THE
22 TIMESHARE INSTRUMENT AND THIS CHAPTER. A MAILING REQUESTED FOR THE PURPOSE
23 OF ADVANCING LEGITIMATE ASSOCIATION BUSINESS SHALL OCCUR WITHIN THIRTY DAYS
24 AFTER RECEIPT OF A REQUEST FROM AN OWNER. THE BOARD OF THE ASSOCIATION OR
25 THE MANAGING ENTITY IS RESPONSIBLE FOR DETERMINING THE APPROPRIATENESS OF ANY
26 MAILING REQUESTED PURSUANT TO THIS SUBSECTION AND FOR ESTABLISHING REASONABLE
27 PROCEDURES FOR THE EXERCISE OF THE RIGHTS PROVIDED IN THIS SECTION. THE
28 ASSOCIATION OR OTHER MANAGING ENTITY DOES NOT HAVE AN OBLIGATION TO MAIL
29 ITEMS THAT THE ASSOCIATION OR OTHER MANAGING ENTITY REASONABLY BELIEVES MAY
30 BE LIBELOUS OR OTHERWISE ACTIONABLE OR ON ADVICE OF LEGAL COUNSEL. THE OWNER
31 WHO REQUESTS THE MAILING SHALL REIMBURSE THE ASSOCIATION OR OTHER MANAGING
32 ENTITY IN ADVANCE FOR THE ACTUAL COSTS IN PERFORMING THE MAILING OR A
33 PROPORTIONATE SHARE OF ACTUAL COSTS IF THE MAILING IS INCLUDED IN A MAILING
34 THAT INCLUDES OTHER ITEMS.

35 C. IF THE REQUESTING OWNER HAS COMPLIED WITH THE REASONABLE PROCEDURES
36 ESTABLISHED BY THE BOARD OR MANAGING ENTITY FOR MAILING REQUESTS, IT IS A
37 VIOLATION OF THIS CHAPTER FOR THE ASSOCIATION OR OTHER MANAGING ENTITY TO
38 REFUSE TO MAIL ANY MATERIAL REQUESTED BY THE OWNER TO BE MAILED, IF THE SOLE
39 PURPOSE OF THE MATERIALS IS TO ADVANCE LEGITIMATE ASSOCIATION BUSINESS AND
40 THE REQUESTING OWNER HAS EITHER TENDERED TO THE ASSOCIATION OR MANAGING
41 ENTITY PAYMENT OF THE COST PURSUANT TO SUBSECTION B OR HAS REQUESTED AN
42 INVOICE FOR THAT COST AND HAS NOT RECEIVED AN INVOICE WITHIN TEN DAYS AFTER
43 DELIVERING THAT REQUEST TO THE ASSOCIATION OR MANAGING ENTITY. IF THE
44 PURPOSE OF THE MAILING IS A PROXY SOLICITATION TO RECALL ONE OR MORE BOARD
45 MEMBERS ELECTED BY THE OWNERS OR TO DISCHARGE THE MANAGER OR MANAGEMENT FIRM

1 AND THE ASSOCIATION OR OTHER MANAGING ENTITY DOES NOT MAIL THE MATERIALS
2 WITHIN THIRTY DAYS AFTER RECEIPT OF A REQUEST FROM AN OWNER, THE SUPERIOR
3 COURT IN THE COUNTY IN WHICH THE TIMESHARE PLAN OR PROPERTY IS LOCATED, ON
4 APPLICATION FROM THE REQUESTING OWNER, MAY SUMMARILY ORDER THE MAILING OF THE
5 MATERIALS SOLELY RELATED TO THE RECALL OF ONE OR MORE BOARD MEMBERS ELECTED
6 BY THE OWNERS OR THE DISCHARGE OF THE MANAGER OR MANAGING FIRM. THE COURT
7 SHALL DISPOSE OF AN APPLICATION ON AN EXPEDITED BASIS. IN THE EVENT OF SUCH
8 AN ORDER, THE COURT MAY ORDER THE ASSOCIATION OR OTHER MANAGING ENTITY TO PAY
9 THE OWNER'S COSTS, INCLUDING ATTORNEY FEES REASONABLY INCURRED TO ENFORCE THE
10 OWNER'S RIGHTS, UNLESS THE MANAGING ENTITY CAN DEMONSTRATE IT REFUSED THE
11 MAILING IN GOOD FAITH BECAUSE OF A REASONABLE BASIS FOR DOUBT ABOUT THE
12 LEGITIMACY OF THE MAILING.

13 D. NOTWITHSTANDING ANY LAW TO THE CONTRARY, THE ASSOCIATION OR OTHER
14 MANAGING ENTITY MAY NOT FURNISH THE NAME, ADDRESS, TELEPHONE NUMBER OR
15 ELECTRONIC MAIL ADDRESS OF ANY OWNER TO ANY OTHER OWNER OR AUTHORIZED AGENT
16 OF AN OWNER UNLESS THE OWNER WHOSE NAME, ADDRESS, PHONE NUMBER OR ELECTRONIC
17 MAIL ADDRESS IS REQUESTED FIRST APPROVES THE DISCLOSURE IN WRITING.

APPROVED BY THE GOVERNOR APRIL 18, 2005.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 18, 2005.



Passed the House February 28, 2005

Passed the Senate April 7, 2005

by the following vote: 59 Ayes,

by the following vote: 29 Ayes,

0 Nays, 1 Not Voting

0 Nays, 1 Not Voting

[Signature]
Speaker of the House

[Signature]
President of the Senate

[Signature]
Chief Clerk of the House

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

 day of , 20 ,

at o'clock M.

Secretary to the Governor

Approved this day of

 , 20 ,

at o'clock M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this day of , 20 ,

at o'clock M.

Secretary of State


H.B. 2255

HOUSE CONCURS IN SENATE
AMENDMENTS AND FINAL PASSAGE

April 12, 2005,

by the following vote: 55 Ayes,

3 Nays, 2 Not Voting


Speaker of the House
Foran L. Moore
Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

13th day of April, 2005

at 12:00 o'clock P. M.

Wendy L. Upbar
Secretary to the Governor

Approved this 18 day of

April, 2005,

at 1st o'clock 7. M.

J. T. Ryall
Governor of Arizona

H.B. 2255

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 18 day of April, 2005,

at 4:42 o'clock P. M.

Janice K. Brewer
Secretary of State